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**ANNUAL AUDITED REPORT**  
**FORM X-17A-5\***  
**PART III**

OMB APPROVAL	
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## FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 ThereunderREPORT FOR THE PERIOD BEGINNING 01/01/16 AND ENDING 12/31/16  
MM/DD/YY MM/DD/YY**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: FLI INVESTORS LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

ONE JERICO PLAZA - SUITE 201

(No. and Street)

JERICO

NEW YORK

11753

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

STEPHEN J. JUCHEM

(516) 935-1200

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

BOGARDT AND COMPANY, LLP

(Name - if individual, state last, first, middle name)

140 FELL COURT, SUITE 300, HAUPPAUGE, NEW YORK 11788

(Address)

(City)

(State)

(Zip Code)

## CHECK ONE:

- ☒ Certified Public Accountant
- ☐ Public Accountant
- ☐ Accountant not resident in United States or any of its possessions.

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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## OATH OR AFFIRMATION

I, STEPHEN J. JUCHEM, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of FLI INVESTORS, LLC, as of DECEMBER 31, 20 16, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

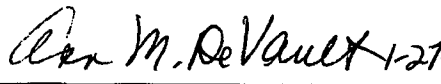
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Signature

SR. VP & CFO

Title



Notary Public

ANN M. DEVAULT  
NOTARY PUBLIC, State of New York  
No. 30-4733629  
Qualified in Nassau County  
Commission Expires March 30, 2019

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**



***Bogardt & Company, LLP***

Certified Public Accountants

140 Fell Court, Suite 300  
Hauppauge, New York 11788

Telephone 631 348-0100  
Telefax 631 348-7510

[www.bogardtandcompany.com](http://www.bogardtandcompany.com)

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Members of  
FLI Investors, LLC  
Jericho, New York

We have audited the accompanying statement of financial condition ("the Financial Statement") of FLI Investors, LLC (the Company) as of December 31, 2016, and the related notes to the statement of financial condition. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of FLI Investors, LLC as of December 31, 2016, in accordance with accounting principles generally accepted in the United States of America.

*Bogardt & Company LLP*

Hauppauge, New York  
February 1, 2017

**FLI INVESTORS, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2016**

**ASSETS**

Cash	\$ 119,792
Furniture and fixtures, at cost, net of accumulated depreciation of \$142,366	<u>7,525</u>
	<u><u>\$ 127,317</u></u>

**LIABILITIES AND MEMBERS' EQUITY**

Accrued expenses	\$ 10,000
Members' equity	<u>117,317</u>
	<u><u>\$ 127,317</u></u>

The accompanying Notes are an integral part of this Financial Statement.

## FLI INVESTORS, LLC

### NOTES TO STATEMENT OF FINANCIAL CONDITION

#### NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

FLI Investors, LLC (the "Company") was organized on August 1, 1998, under Delaware state law. The Company is a financial services firm, rendering brokerage services as a broker/dealer. The Company is registered with the United States Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. The Company's customers through various third party entities are primarily high net worth individuals domiciled in the United States of America.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and Cash Equivalents

The Company's cash is held at financial institutions which have Federal Deposit Insurance Corporation (FDIC) coverage. The Company's cash held at FDIC insured financial institutions may, at times, exceed FDIC covered amounts.

(b) Investment in Partnership

The Company has an equity interest in a limited partnership, which is recorded at fair value (Note 3). The Company is not required to make capital contributions into this partnership. The Company has no capital or profits interest in this investment and will receive distributions only if the limited partners achieve certain returns. There were no distributions in 2016.

(c) Furniture and Fixtures

Furniture and fixtures are stated at cost. Depreciation is computed, using the straight-line method over the estimated useful lives of the assets, which ranges from five to seven years.

(d) Income Tax Policy

As a limited liability company, the Company has elected to be treated as a partnership under the provisions of the Internal Revenue Code (IRC). Under those provisions, the Company does not pay federal or state income taxes on its taxable income. Instead, the members are liable for individual federal and state income taxes on their respective share of the Company's taxable income.

GAAP requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are more-likely-than-not of being sustained upon examination by the applicable tax authority, based on the technical merits of the tax position. Management believes any such positions would be immaterial to the overall financial statements. The Company's federal and state income tax returns for the years after 2012 remain subject to examination by the taxing authorities.

(continued)

**FLI INVESTORS, LLC**

**NOTES TO STATEMENT OF FINANCIAL CONDITION**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) requires the Company to make estimates and assumptions that affect the reported amounts in the Financial Statements. Actual results could differ from those estimates and assumptions.

**(f) Subsequent Events**

The Company has evaluated subsequent events after December 31, 2016 through February 1, 2017, the date that the Financial Statements were considered available to be issued.

**NOTE 3 - FAIR VALUE MEASUREMENT**

GAAP defines fair value, establishes a framework for measuring fair value, and a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by GAAP, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the entity has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or the liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

Investment in partnership has been determined to be a Level 3 asset. Management has estimated the fair market value at zero. These valuation methods have been consistently applied.

(continued)

**FLI INVESTORS, LLC**

**NOTES TO STATEMENT OF FINANCIAL CONDITION**

**NOTE 4 - FORMER MEMBER SUBORDINATED LOAN PAYABLE**

On December 11, 2012, in connection with the purchase by the Company of a member's interest, the Company entered into a subordinated loan agreement with the former member, for \$219,697, bearing interest at prime. The terms of the loan call for three equal annual installments of \$73,232, plus interest thereon, which commenced on January 1, 2014. The final payment on the loan was made on January 1, 2016, and the loan is now paid in full.

The subordinated borrowings are available in computing net capital under the SEC's uniform net capital rule (see Note 7). To the extent that such borrowings are required for the Company's continued compliance with minimum net capital requirements, they may not be repaid. Prior written approval by FINRA is required before any repayment of this subordinated loan can be made. Unsecured advances to the former member during the term of the agreement are not permitted.

**NOTE 5 - RELATED PARTY TRANSACTIONS**

The Company receives management fees from certain entities related to the Company by common ownership.

The Company has a cost sharing agreement for rent, salaries, insurance and other general administrative expenses with an entity related through common ownership.

**NOTE 6 - NET CAPITAL REQUIREMENT**

The Company is subject to the Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934, which requires that the Company's aggregate indebtedness to net capital, both as defined, shall not exceed fifteen to one subject to a minimum net capital requirement of \$5,000. At December 31, 2016, the Company had net capital of \$109,792, which was \$104,792 in excess of its required net capital. The Company's net capital ratio was .09 to 1.